

UNITED STATES DISTRICT COURT FOR THE  
SOUTHERN DISTRICT OF WEST VIRGINIA  
CHARLESTON

UNITED STATES OF AMERICA,

Plaintiff,

v.

CIVIL ACTION NO. 3:19-cv-00371

REAL PROPERTY SITUATED AT  
3542 NORWOOD ROAD, HUNTINGTON,  
CABELL COUNTY, WEST VIRGINIA,  
together with all improvements  
thereon and appurtenances thereto;  
\$25,000 in U.S. Currency; and  
ONE 2017 CHEVROLET SILVERADO K1500 LTZ TRUCK,

Defendants.

VERIFIED COMPLAINT OF FORFEITURE

Comes now the United States of America, by Christopher R. Arthur, Assistant United States Attorney for the Southern District of West Virginia, and respectfully states as follows:

NATURE OF THE ACTION

1. This is a civil action in rem brought, pursuant to 18 U.S.C. §§ 983(a) and 985, to enforce the provisions of 18 U.S.C. §§ 981(a)(1)(A), 982, and 984, for the forfeiture of defendant real and personal properties.

**DEFENDANTS IN REM**

2. The defendant real property is situated at 3542 Norwood Road, in the city of Huntington, Cabell County, West Virginia, together with all improvements thereon and appurtenances thereto, and being more particularly described in that certain deed recorded in the Office of the Clerk of the County Commission for Cabell County, West Virginia, in Deed Book 1297 at pages 511-512 (hereinafter "real property").

3. The defendant real property is not in the custody of the United States or any of its agents.

4. The defendant \$25,000 in U.S. Currency ("Currency") and defendant 2017 Chevrolet Silverado K1500 LTZ Truck, VIN 3GCUKSEJ3HG136395 (hereinafter "vehicle"), are in the custody of the United States Marshals Service for the Southern District of West Virginia.

**JURISDICTION AND VENUE**

5. This Court has jurisdiction over this matter by virtue of 28 U.S.C. §§ 1345, 1355 and 18 U.S.C. § 981(h).

6. Venue is proper in this district pursuant to 28 U.S.C. § 1355(b)(1) because the acts or omissions giving rise to the forfeiture occurred in this district.

7. Upon the filing of this complaint, the United States will seek the issuance of a warrant of arrest in rem from the Clerk of this Court, pursuant to Rule G(3)(b)(i), Supplemental Rules for Admiralty or Maritime Claims and Asset Forfeiture Actions, for the arrest of those assets.

**BASIS FOR FORFEITURE**

8. The defendant real property is subject to forfeiture to the United States as the real property was involved in one or more transactions or attempted transactions in violation of 18 U.S.C. §§ 1956 or 1957, or are traceable to property involved in such transactions and, therefore, is subject to forfeiture to the United States pursuant to 18 U.S.C. §§ 981(a)(1)(A), 982(a)(1), and 984.

9. The defendant currency and defendant vehicle were voluntarily surrendered and are addressed in this complaint as part of an agreement to resolve any dispute relating to the forfeiture.

10. On February 21, 2018, a Grand Jury returned a Second Superseding Indictment (ECF No. 142; hereafter, "Indictment") against defendant Windel Lester, and others, charging him with the following offenses:

- Mail and wire fraud conspiracy in violation of 18 U.S.C. § 1349 as set forth in Count 1;
- Arson conspiracy in violation of 18 U.S.C. § 844(m) as set forth in Count 2;
- Money laundering conspiracy in violation of 18 U.S.C. § 1956(h) as set forth in Count 3;
- Wire and mail fraud in violation of 18 U.S.C. § 1341 and 1343, as set forth in Counts 4-16;
- Unlawful money transaction in violation of 18 U.S.C. § 1957 and 2, as set forth in Count 18;
- Unlawful money transaction in violation of 18 U.S.C. § 1957 and 2, as set forth in Count 19;
- Mail fraud in violation of 18 U.S.C. § 1341, as set forth in Counts 20-24;
- Money Laundering to Promote Scheme in violation of 18 U.S.C. § 1956(a)(1)(A)(i), as set forth in Count 26;
- Arson to Commit Mail Fraud in violation of 18 U.S.C. § 844(h)(1) and 2, as set forth in Count 27;
- Unlawful Monetary Transaction in violation of 18 U.S.C. § 1957 and 2, as set forth in Count 28;



- Money Laundering to Conceal in violation of 18 U.S.C. § 1956(a)(1)(B)(i and 2), as set forth in Count 29;
- Unlawful Monetary Transaction in violation of 18 U.S.C. § 1957 and 2, as set forth in Count 31;
- Unlawful Monetary Transaction in violation of 18 U.S.C. § 1957 and 2, as set forth in Count 32; and
- Unlawful Monetary Transaction in violation of 18 U.S.C. § 1957 and 2, as set forth in Count 33;

Second Superseding Indictment, ECF No. 142.

11. WINDEL LESTER did as part of the conspiracy, among other things, the following:

- Purchased properties containing vacant or mostly vacant houses;
- Applied for and obtained insurance coverage for the properties with coverage limits well above the purchase price of the properties;
- Participated in staging and/or setting fires to the houses on the various properties, in order to file false and fraudulent insurance claims and collect the proceeds derived from the claims;
- Participated in submitting false insurance claims and supporting documents for various categories of losses that included fire damage to the burned houses and contents supposedly contained in them, additional living expenses, and post-fire clean-up costs;
- Made false and fraudulent statements and representations about the cause and origin of the fires, and the amount

and extent of the damage caused by the fires in order to collect insurance proceeds; and

- Received insurance proceeds from the false and fraudulent insurance claims.

*Id.*

12. The Indictment alleged Windel Lester and other conspirators defrauded insurance companies of more than \$789,000.

*Id.* The Indictment also contained a Grand Jury finding of probable cause for forfeiture of a money judgment in the amount of at least \$381,008.74 against Windel Lester pursuant to Counts 1, 4-16, and 20-24 (Wire and Mail Fraud), \$384,138.00 against Windel Lester pursuant to Counts 3, 18, 19, 26, and 28-33, (Money Laundering); and the forfeiture of the property against Windel Lester for Count 3 or 32 (Money Laundering).

13. From August 14, 2018 through August 22, 2018, the District Court conducted a trial. At trial, the Government introduced exhibits and several prosecution witnesses testified. On August 22, 2018, the Jury returned verdicts of guilt (ECF No. 317) against Windel Lester on Counts 1-3, 5, 8, 10-13, 18, 19, 21, 26, 28, 29, 31 and 33.

14. During the period of December 2018 through January 2019, the United States and counsel for Windel Lester worked on finalizing an agreed order addressing the forfeiture.

15. In early January, Windel Lester, by counsel, requested additional time to resolve the forfeiture pursuant to an agreement.

16. In exchange for the United States agreeing to extend the deadline to resolve the forfeiture, Windel Lester surrendered the defendant currency and defendant vehicle on February 15, 2019.

17. Windel Lester died on April 2, 2019.

18. The United States and the Estate of Windel Lester desire to resolve the forfeiture matter by agreement.

19. Title 18, United States Code, Section § 982(a)(4) provides, in pertinent part, that "the gross receipts of such an offense" to include "any property, real or personal, tangible or intangible, which is obtained, directly or indirectly, as a result of such offense" and, therefore, are subject to forfeiture to the United States pursuant to 18 U.S.C. § 981(a)(1)(C).

20. For the reasons outlined above, the defendant real property was derived from proceeds from violations of 18 U.S.C. §§ 1956 or 1957, therefore, are subject to forfeiture to the United States pursuant to 18 U.S.C. §§ 981(a)(1)(A), 982(a)(1), and 984.

21. For the reasons outlined above, the defendant currency and defendant vehicle are part of an Agreement with the Estate of Windel Lester which will be documented in a proposed agreed order.

22. As part of the agreement, the United States will not pursue any additional assets as part of its forfeiture claims.

WHEREFORE, the United States prays that process of warrant in rem be issued for the arrest of the defendant real property, defendant currency, and defendant vehicle; that due notice be given to all parties to appear and show cause why the forfeiture should not be decreed; that judgment be entered declaring that all of the defendant properties be forfeited to the United States for disposition according to law; and that the United States be granted such other relief as this Court may deem just and proper, together with the costs and disbursements of this action.



Respectfully submitted,

MICHAEL B. STUART  
United States Attorney

By: s/Christopher R. Arthur  
CHRISTOPHER R. ARTHUR  
Assistant United States Attorney  
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VERIFICATION

STATE OF WEST VIRGINIA

COUNTY OF KANAWHA, TO-WIT:

I, Seth A. Summers, Postal Inspector with the United States Postal Inspection Service, declare under penalty of perjury as provided by 28 U.S.C. § 1746, the following:

That the foregoing Complaint for Forfeiture in rem is based upon reports and information I have gathered and which have been provided to me by various law enforcement personnel, and that everything contained therein is true and correct to the best of my knowledge and belief, except where stated to be upon information and belief, in which case I believe it to be true.

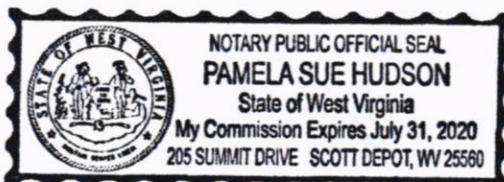
Executed on May 9th, 2019.

  
SETH A. SUMMERS

Taken, subscribed and sworn to before me this 9<sup>th</sup> day of May, 2019.

  
Notary Public

My commission expires on July 31, 2020.

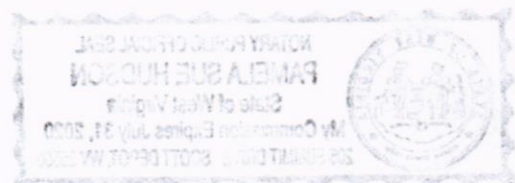


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## CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

**I. (a) PLAINTIFFS**

United States of America

(b) County of Residence of First Listed Plaintiff \_\_\_\_\_  
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)

**DEFENDANTS**

Real Property situated at 3542 Norwood Road Huntington, Cabell County, WV; \$25,000 in U.S. Currency; and 2017 Chevrolet Silverado K1500 LTZ Truck

County of Residence of First Listed Defendant Cabell  
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

**II. BASIS OF JURISDICTION** (Place an "X" in One Box Only)

- ☒ 1 U.S. Government Plaintiff
- ☐ 2 U.S. Government Defendant
- ☐ 3 Federal Question (U.S. Government Not a Party)
- ☐ 4 Diversity (Indicate Citizenship of Parties in Item III)

**III. CITIZENSHIP OF PRINCIPAL PARTIES** (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- |   | PTF                        | DEF                        |   | PTF                        | DEF                        |
|---|----------------------------|----------------------------|---|----------------------------|----------------------------|
| Citizen of This State                   | <input type="checkbox"/> 1 | <input type="checkbox"/> 1 | Incorporated or Principal Place of Business In This State     | <input type="checkbox"/> 4 | <input type="checkbox"/> 4 |
| Citizen of Another State                | <input type="checkbox"/> 2 | <input type="checkbox"/> 2 | Incorporated and Principal Place of Business In Another State | <input type="checkbox"/> 5 | <input type="checkbox"/> 5 |
| Citizen or Subject of a Foreign Country | <input type="checkbox"/> 3 | <input type="checkbox"/> 3 | Foreign Nation  | <input type="checkbox"/> 6 | <input type="checkbox"/> 6 |

**IV. NATURE OF SUIT** (Place an "X" in One Box Only)Click here for: [Nature of Suit Code Descriptions.](#)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	<b>PERSONAL INJURY</b> <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Medical Malpractice	<input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability <b>PERSONAL PROPERTY</b> <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 <b>PROPERTY RIGHTS</b> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent - Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark <b>SOCIAL SECURITY</b> <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g))	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act
<b>REAL PROPERTY</b> <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<b>CIVIL RIGHTS</b> <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education	<b>PRISONER PETITIONS</b> <b>Habeas Corpus:</b> <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <b>Other:</b> <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement	<b>FEDERAL TAX SUITS</b> <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes

**V. ORIGIN** (Place an "X" in One Box Only)

- ☒ 1 Original Proceeding
- ☐ 2 Removed from State Court
- ☐ 3 Remanded from Appellate Court
- ☐ 4 Reinstated or Reopened
- ☐ 5 Transferred from Another District (specify)
- ☐ 6 Multidistrict Litigation - Transfer
- ☐ 8 Multidistrict Litigation - Direct File

**VI. CAUSE OF ACTION**

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):

18 U.S.C. 981(a)(1)(a), 982 and 984

Brief description of cause:

forfeiture of money laundering proceeds

**VII. REQUESTED IN COMPLAINT:**

☐ CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.

**DEMAND \$**

CHECK YES only if demanded in complaint:

**JURY DEMAND:** ☐ Yes ☒ No**VIII. RELATED CASE(S) IF ANY**

(See instructions):

JUDGE USDC Judge David A. FaberDOCKET NUMBER 1:17-cr-00095

DATE

05/09/2019

SIGNATURE OF ATTORNEY OF RECORD

/s/ Christopher R. Arthur

FOR OFFICE USE ONLY

RECEIPT # \_\_\_\_\_ AMOUNT \_\_\_\_\_ APPLYING IFP \_\_\_\_\_ JUDGE \_\_\_\_\_ MAG. JUDGE \_\_\_\_\_